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National Association of Federally-Insured Credit Unions

October 17, 2019

The Honorable Bill Foster
Chairman
Task Force on Artificial Intelligence
Financial Services Committee
U.S. House of Representatives
Washington, DC 20515

The Honorable Barry Loudermilk
Ranking Member
Task Force on Artificial Intelligence
Financial Services Committee
U.S. House of Representatives
Washington, DC 20515

Re: Tomorrow's Hearing, "AI and the Evolution of Cloud Computing: Evaluating How Financial Data is Stored, Protected, and Maintained by Cloud Providers"

Dear Chairman Foster and Ranking Member Loudermilk:

I write to you today on behalf of the National Association of Federally-Insured Credit Unions (NAFCU) ahead of tomorrow's hearing on "AI and the Evolution of Cloud Computing: Evaluating How Financial Data is Stored, Protected, and Maintained by Cloud Providers." NAFCU advocates for all federally-insured not-for-profit credit unions that, in turn, serve over 118 million consumers with personal and small business financial service products. We appreciate the Task Force's ongoing focus on the important issues of cybersecurity and data security.

NAFCU continues to believe that there is an urgent need for a national data security standard for those who collect and store consumer information. While depository institutions have had a national standard on data security since the passage of the *Gramm-Leach-Bliley Act* (GLBA) over two decades ago, other entities who handle consumer financial data do not have such a national standard. In addition, we believe that there is a need for a uniform national consumer data privacy standard as opposed to a patchwork of standards stemming from different state data privacy laws. As the Task Force examines cloud computing and financial data, enacting national standards for the protection and use of information should be a priority.

NAFCU would also like to comment on the discussion draft of the *Strengthening Cybersecurity for the Financial Sector Act*, which is before the Task Force tomorrow. NAFCU and our member credit unions believe that cybersecurity is an important issue, including the security of vendors that credit unions do business with; accordingly, we have created our own task force of our members to examine this issue. NAFCU is opposed to granting additional authority to the NCUA to examine third parties. NAFCU believes in a strong NCUA, but that the NCUA should stay focused on regulating credit unions. We believe in reducing regulatory burden by coordinating efforts among the financial regulators.

Thank you for your attention to this issue and we stand ready to work with the Task Force as you continue to examine this important topic. Should you have any questions or require any additional

information, please contact me, or NAFCU's Associate Director of Legislative Affairs Max Virkus at mvirkus@nafcu.org or 703-842-2261.

Sincerely,

A handwritten signature in black ink that reads "Brad Thaler". The signature is written in a cursive, flowing style.

Brad Thaler
Vice President of Legislative Affairs

cc: Members of the Task Force on Artificial Intelligence